

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

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Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: July 7, 2003

SUBJECT: Fiscal Impact Statement: "University of the District of Columbia Non-Union Career Service Employees Compensation System Changes Approval Resolution of 2003"

REFERENCE: Draft Approval Resolution – No Number Available

Conclusion

Funds are sufficient in the FY 2003 budget and the FY 2004 through FY 2007 budget and financial plan as agreed to by the Mayor and the Council of the District of Columbia to implement the provisions of the proposed approval resolution. No additional resources will be required to implement the proposed compensation agreement.

Background

The proposed legislation would approve a 6.4 percent Cost of Living Adjustment (COLA) approved by the Board of Trustees of the University of the District of Columbia (UDC). The compensation increases would affect 32 non-union career¹ service employees at the UDC. An increase of 6.4 percent to base wages retroactive to October 1, 2002 will be reflected in the proposed salary schedule.

Financial Plan Impact

Funds are sufficient in the FY 2003 budget and the proposed FY 2004 through FY 2007 budget and financial plan to implement the provisions of the proposed resolution.

¹ District payroll systems further classify this UDC population into District Service and Wage Service categories.

The total cost of the pay agreement in FY remainder is financed by other fund sources, e.g., federal funds, grants and other non-governmental sources. The costs for the population identified as Wage Service employees is 100 percent funded through local resources. The table in Figure 1 presents the local personnel services costs² associated with implementing the proposed compensation agreement.

Figure 1.

| Expenditure Impact to the Financial Plan | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|---------------------|
| (\$ in 000s) | | | | | | |
| Population | FY 2003 | FY 2004 | FY 2005 | FY 2006 | FY 2007 | 5-Year Total |
| District Service | \$64.1 | \$66.1 | \$68.3 | \$70.5 | \$72.8 | \$341.8 |
| Wage Service | 19.3 | 19.9 | 20.5 | 21.2 | 21.9 | 102.8 |
| Net Annual Impact | \$83.4 | \$86.0 | \$88.8 | \$91.7 | \$94.7 | \$444.6 |

The Chief Financial Officer's legislative fiscal analysis is prepared by the Special Projects and Fiscal Analysis Administration in the Office of Research and Analysis. Contact us at 441 4th Street, NW, Suite 400S, Washington D.C., 20001 or view our work on-line at <http://cfo.dc.gov>.

² Figures include salary and benefits.